

Sunnyside Cogeneration Associates

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C/007/035 Incoming
cc: Tim
Steve C.
#3547
Q

August 10, 2010

Division of Oil Gas and Mining
Attn. James D Smith
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

RE: Midterm Permit Review, Sunnyside Cogeneration Associates, Sunnyside
Refuse/Slurry, C007/0035, Task 3547

Dear Mr. Smith,

SCA has reviewed your letter dated August 4, 2010 and the attached deficiencies related to your Midterm Permit Review for the Sunnyside Refuse / Slurry MRP. We propose the following resolution to each of the deficiencies:

- **Review item #2 (AA)** – The review document references R645-301-515.321 and -515.322 and requests additional detail regarding the environmental monitoring that SCA has committed to perform during a Temporary Cessation.

The review document also references R645-301-731.300 relating to storage of acid- and toxic-forming materials. In previous years, SCA has performed extensive analysis of the refuse pile in compliance with R645-301-624.220 and continues to conduct periodic analysis of materials as they are placed in the Spoil disposal areas. The analyses have indicated a low risk of acid- and toxic-forming materials within the piles on site. The existing volume of analytical data regarding the pile is sufficient, no additional testing is required by the regulations and SCA does not believe that additional testing at the time of a temporary cessation would provide value to the environment.

The current MRP document reads as follows:

515.300 thru 515.322 Procedures for Temporary Cessation of Operations

Before temporary cessation of excavation of the refuse pile or reclamation activities for a period of 30 days or more, or as soon as it is known that a temporary cessation will extend beyond 30 days, SCA will submit to DOGM a notice of intention to cease or abandon operations. It is understood by SCA that temporary abandonment will not relieve a person of their obligation to comply with any provisions of the approved permit. Regular monitoring and inspections will continue. Maintenance will occur if needed.

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All surface facilities will be effectively secured in areas in which there are no current operations, but in which operations are to be resumed under an approved permit.

In the event of a cessation, regulations 515.321 and 515.322 will be addressed. A statement of the exact number of surface acres and the horizontal and vertical extent of subsurface strata which have been affected in the SCA Permit Area prior to such temporary cessation or abandonment, the extent and kind of reclamation of surface area which will have been accomplished, and identification of the backfilling, regrading, revegetation, environmental monitoring, and water treatment activities that will continue during the temporary cessation.

The current permit segments meet the requirements for a temporary cessation as specified in R645-301-515.321 and -515.322. SCA is not storing acid- and toxic-forming materials. SCA is committed to compliance with the requirements and will provide the detailed information within the time requirements listed in R645-301-515.320. Due to the variability of conditions that could exist at some future time when a temporary cessation might occur, it is difficult to foresee all possible needs and unwise to specify them in the permit today. SCA's current intentions would be that environmental monitoring would include a continuation of periodic inspections and water monitoring as are already required for an operational condition. No additional sampling beyond that required for operational conditions is currently anticipated.

- **Review item #5 (PH)** – SCA will work with Mr. Hess to update the bond calculations.
- **Review item #3 (KL)** – The review document refers to use of the best technology currently available (BTCA) in relation to contributions of suspended solids to stream flows outside the permit area. SCA currently utilizes BTCA and is committed to protection of stream flows from sediments from the permit area. In response to this review item #3, SCA proposes adding the following sentence to the permit text section 742 Sediment Control Measures:

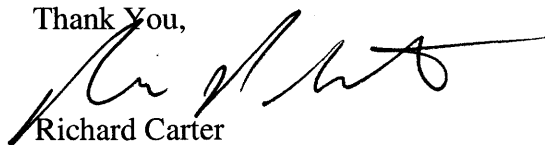
SCA is committed to designing, constructing and maintaining appropriate sediment control measures using the best technology currently available to prevent, to the extent possible, additional contributions of sediment to stream flow or to runoff outside the permit area.

- **Review Item #6 (KL)** – In relation to Alternative Sediment Controls (ASC's) SCA will review the MRP text, Plate 7-1 and Appendix 7-7 and make updates as necessary to make sure that the three documents correlate and identify the ASC's currently in place at the site.

- **Review Item #4 (AN)** – The review document outlines several out of date items from AVS check. SCA will submit Chapter 1 segments with the current Ownership and Control information (this was recently submitted and approved for SCA's Star Point Waste Fuel site). This will allow DOGM to update their AVS documentation.

We expect that these proposed items will address each of the deficiencies outlined in the Midterm Permit Review document. If you will confirm that this is an acceptable approach, we will proceed to prepare the submittal documents described.

Thank You,

A handwritten signature in black ink, appearing to read 'Richard Carter', is written over the printed name.

Richard Carter
Agent for
Sunnyside Cogeneration Associates

Cc: Steve Gross
William Rossiter
Paul Shepard
Maggie Estrada
Rusty Netz
Plant File